# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:2189
ANSWERED ON:29.07.2016
Merging Plan and Non-Plan Heads
Jaunpuria Shri Sukhbir Singh

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Government has received any requests to bring plan and non-plan expenditure under one head from States including Rajasthan;
(b) if so, the details thereof along with the action taken in this regard;
(c) whether the Government has also received any representations to provide compensation for the expenditure made by the State under the Central provisions; and
(d) if so, the details thereof along with the action taken thereon by the Government?

## Answer

MINISTER OF STATE IN THE (SHRI ARJUN RAM MEGHWAL)
MINISTRY OF FINANCE
(a) : Vide para 109 of the Budget speech, Finance Minister has announced that in order to correct skewed allocations in the budget and to give greater focus to Revenue and Capital classification of Government expenditure, Government has decided that the Plan-Non-Plan classification will be done away with from fiscal 2017-18. It has also been mentioned that the Finance Ministry will closely work with the State Finance Departments to align Central and State Budgets in this matter. In this matter suggestions and queries have been received from a few State Governments including the State of Rajasthan.

(b) : The Government has constituted an Internal Working Group drawing from NITI, Department of Expenditure, Department of Economic Affairs and the Controller General of Accounts to suggest a possible roadmap for merger of plan and non-plan expenditures. The State Finance Secretaries of Government of Andhra Pradesh, Gujarat, Odisha, Chhattisgarh, Bihar, Tripura and Himachal Pradesh as also the representative of Comptroller & Auditor General of India have been co-opted in the Working Group.

(c) : No Sir.

(d): Does not arise.